

Hardwick Electric Commission

Special Meeting

Minutes –August 10, 2026

Attendees: Commissioners: Michael Ambrosino, Chair, Renaud Demers, Jake Lester, Myles Kamisher-Koch; Staff: Scott Johnstone and Renae DiGregorio; Public: Steven Farman, VPPSA Manager of Planning and Support.

Chair Ambrosino called a Special Meeting of the Hardwick Electric Commission to order at 6:02 pm at the Parker Ladd Room located in the Jeudevine Memorial Library Building, in Hardwick having declared a quorum present.

There were no changes to the agenda offered.

There were no public comments.

Quickly jumping into dialog with Steven Farman from the VPPSA planning team regarding the 2026 rate case analysis. Mr. Farman stated that based on the most recent analysis, the recommended overall rate adjustment for the 2026 rate case is 14.11% effective 10/01/2026. Mr. Farman reported that over the last 16 years, Hardwick Electric has increased its rates by 22.19% or an average of approximately 1.4% a year. Including the current 2026 rate request, the average over the last 16 years will rise to 2.14%, tracking below the average rate of inflation since 2009. Mr. Farman stated that the 2026 rate case includes several key components driving the requested increase, including higher purchased power costs, increased depreciation expense, higher taxes and interest expense, and the recovery of prior-year losses. The rate case also includes a new recommendation resulting from the Department of Public Service health assessment, which recommends that utilities maintain a minimum of 120 days of cash on hand. The recommended cash reserve is being requested through phased rate cases at 20% increments until the full reserve level is achieved. For the 2026 rate case, the cash reserve component represents 6.66% of the total 14.11% rate case requested for Hardwick Electric. Commissioner Kamisher-Koch expressed concern over finalizing the 2025 rate

case that has been ongoing for over 16 months now and the timing of the 2026 rate case being filed and in effect. General Manager Johnstone confirmed that an MOU has been signed and the case should be on the docket very soon to close up the 2025 rate case. Commissioner Lester requested if there is anything on the commission end that can be done to try and button up the ongoing case. Mr. Johnstone stated that our legal counsel and VPPSA have been nudging the department to docket the case, but it hasn't moved yet. All Commissioners agreed that the risk to the Department's solvency is very high if we do not move forward with filing the new rate case, particularly given that the 2025 rate case is being reduced by nearly 50%. Commissioner Ambrosino moved to authorize Steven Farman to file the prepared 2026 Rate Case in the amount of 14.11% with the State of Vermont effective for 10/01/2026. Commissioner Kamisher-Koch seconded the motion, and all voted favorably.

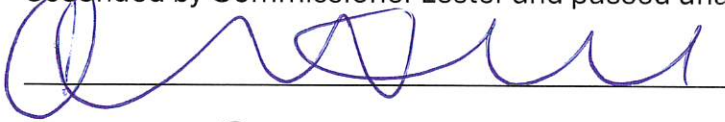
At 7:00 pm a motion was made by Commissioner Ambrosino to go into executive session under VSA 313 (a)(1) (E) and (F) and to include the general manager and controller in the executive session. Commissioner Kamisher-Koch seconded and all voted in the affirmative.

At 7:30 pm the Commission returned to open session.

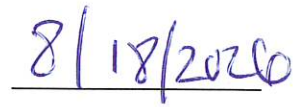
Next on the agenda was an action item regarding the outcome of the executive session. The discussion focused on the proposed facility, which would provide several benefits to the Department and the community. The proposal would allow the Department to make the space available in its existing office for other community proposed uses, as requested, while ensuring that the facility is reimbursed at market rate for all rate payers. It would also provide an opportunity to relocate the Department's shop out of the floodplain, improving the long-term reliability and resiliency of the operations at Hardwick Electric. At 7:31 pm Commissioner Ambrosino made a motion to allow the General Manager to enter into a Purchase and Sales agreement, including a contract deposit to purchase the facility located at 1868 VT-16 Hardwick, Vermont. Commissioner Lester seconded and all voted in the affirmative.

At 7:31 pm a motion was made by Commissioner Kamisher-Koch to move to adjourn the special meeting.

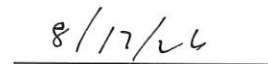
Seconded by Commissioner Lester and passed unanimously.



Recorded by: Renae DiGregorio, Controller


Commissioner:

Date



Date

